

NEWS RELEASE

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State Incentives Approved for Several Companies, Outdoor Retailer Conventions

Utah Film Production Incentives Adopted

Salt Lake City – The Board of Business and Economic Development (DBED) today approved incentives of nearly \$3 million for three companies, to launch a demonstration project for film incentives, and to help the Salt Lake Convention and Visitors Bureau retain the Outdoor Retailers Convention in Utah.

“These incentives would create more than 500 permanent jobs and a potential of 300 film-related positions in Utah and would bolster the state’s tourism and film industries,” said Jeff Gochnour, director of the Utah Division of Business and Economic Development. The companies must commit to keep operations in Utah for five years.

Board members have endorsed a \$1.3 million incentive on a post-performance basis for an unnamed company for creation of 400 new full-time jobs and the relocation of its division headquarters to Utah. The package includes \$3,000 per new employee position and \$100,000 for the division relocation. The name of the company has not been released due to a confidentiality agreement.

The board approved a \$100,000 incentive for National Vinyl Products that plans to create 40 new full-time positions at a manufacturing facility in Juab County. The incentive would provide \$2,500 per new employee over five years with a salary meeting or exceeding 100 percent of the county’s median wage.

Qwest received approval to receive a maximum incentive of \$150,000 for 75 new full-time positions in Salt Lake County. The jobs must meet or exceed 125 percent of the county’s median wage. Qwest is considering the creation of these new jobs at its El Centro customer support center in Salt Lake City.

The Salt Lake Convention and Visitors Bureau will receive a maximum award of up to \$400,000 to retain the Outdoor Retailers Convention in Utah. The incentive is comprised of two annual disbursements of up to \$200,000 per year for 2004 and 2005. The Bureau estimates that the twice-yearly convention represents more than 800 jobs years.

Meantime, the demonstration program for film is the state’s first effort to attract production with a post-performance rebate plan.

“We are excited about the use of the \$1 million film incentive fund that the board approved today. This will be a demonstration program to offer to various projects on a

first-come, first-served basis, said Leigh von der Esch, director of the Utah Film Commission. “Our production days have dropped off by over 40 percent and we believe the projects that will be generated by the use of these funds will help us bring jobs back to the state. We also believe the economic data we will gather from the administration of the funding will be helpful for the Motion Picture Task Force.”

The Motion Picture Task Force, created by Senate Bill 240 and co-chaired by Senator James Evans and Representative Sheryl Allen, as well as representatives from other governmental agencies and the motion picture industry, met for the first time this week. The task force will be looking at the motion picture industry holistically and strategically to determine what is needed to make the state more competitive in attracting films.

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